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# HOUSE BILL No. 1308

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 32-22-3.

**Synopsis:** Movie theater covenants. Provides that a conveyance of real property from a movie theater owner to a person is void to the extent the conveyance prohibits the person from using the conveyed property as a movie theater.

**Effective:** Upon passage.

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January 11, 2005, read first time and referred to Committee on Judiciary.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## HOUSE BILL No. 1308

A BILL FOR AN ACT to amend the Indiana Code concerning property.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 32-22-3 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
3 PASSAGE]:  
4 **Chapter 3. Limitations on Conveyances of Real Property Owned**  
5 **by Movie Theater Owners**  
6 **Sec. 1. (a) As used in this chapter, "movie theater owner" means**  
7 **a person that owns an establishment in which commercially**  
8 **distributed feature motion pictures are regularly exhibited to the**  
9 **public for a charge.**  
10 **(b) The term includes a parent corporation, a holding company,**  
11 **or another business entity with a controlling ownership interest.**  
12 **Sec. 2. As used in this chapter, "nominal party" means a person**  
13 **or an entity that agrees to accept conveyance of real property**  
14 **owned by a movie theater owner and reconvey the real property:**  
15 **(1) to a person designated by the movie theater owner; and**  
16 **(2) under terms established by the movie theater owner.**  
17 **Sec. 3. If a movie theater owner conveys real property owned by**



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the movie theater owner to a person:

- (1) a restriction;
- (2) a reservation;
- (3) a condition;
- (4) an exception; or
- (5) a covenant;

that prohibits the person from using the conveyed real property to regularly exhibit commercially distributed feature motion pictures to the public for a charge is, to the extent of the prohibition, against public policy and void.

Sec. 4. A movie theater owner may not convey real property owned by the movie theater owner to a nominal party in order to evade the prohibition in section 3 of this chapter.

Sec. 5. An aggrieved person may bring an action:

- (1) to enjoin an act of a movie theater owner that violates this chapter; and
- (2) for damages, including reasonable attorney's fees, against a movie theater owner for a violation of this chapter;

in a circuit or superior court in the county in which the movie theater is located.

SECTION 2. [EFFECTIVE UPON PASSAGE] IC 32-22-3, as added by this act, applies to a conveyance of real property from a movie theater owner (as defined in IC 32-22-3-1, as added by this act) to a person that occurs after the passage of this act.

SECTION 3. An emergency is declared for this act.

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